

I'm pleased that other G-8—7 countries are making strong—are taking strong measures. Finance ministers and central bankers have acted to provide new liquidity to markets, strengthen financial institutions, protect citizens' savings, and ensure fairness and integrity in the financial markets.

As our nations confront challenges unique to our individual financial systems, we must continue to work collaboratively and ensure that our actions are coordinated. The joint interest rate cut earlier this week was a good example of effective cooperation. Yesterday G-7 finance ministers and central bankers agreed to a plan of action.

The G-7 nations have pledged to take decisive action to support systemically important financial institutions and prevent their failure, provide robust protection for retail bank deposits, and ensure financial institutions are able to raise needed capital. We've agreed to implement strong measures to unfreeze credit, ensure access to liquidity, and help to restart the secondary markets for mortgages and other assets. We've all agreed that the actions we take should protect our taxpayers. And we agree

that we ought to work with other nations such as those that will be represented this afternoon in the G-20 forum.

As our nations carry out this plan, we must ensure the actions of one country do not contradict or undermine the actions of another. In our interconnected world, no nation will gain by driving down the fortunes of another. We're in this together; we will come through it together.

I'm confident that the world's major economies can overcome the challenges we face. There have been moments of crisis in the past when powerful nations turned their energies against each other or sought to wall themselves off from the world. This time is different. The leaders gathered in Washington this weekend are all working toward the same goals. We will stand together in addressing this threat to our prosperity, we will do what it takes to resolve this crisis, and the world's economy will emerge stronger as a result.

Thank you very much.

NOTE: The President spoke at 7:54 a.m. in the Rose Garden at the White House.

## The President's Radio Address *October 11, 2008*

Good morning. Over the past few days, we have witnessed a startling drop in the stock market, much of it driven by uncertainty and fear. Many Americans have serious concerns about their economic well-being.

Here's what the American people need to know. The United States Government is acting and will continue to act to resolve this crisis and restore stability to our markets. The Federal Government has a comprehensive strategy and the tools necessary to address the challenges in our economy.

Here are the problems we face and the steps we are taking.

First, key markets are not functioning because there is a lack of liquidity, so the Federal Reserve has injected hundreds of billions of dollars into the system. The Fed has joined with central banks around the world to coordinate a cut in interest rates, a step that should help free up credit. The Fed has also announced a new program to provide support for a vital tool that many American businesses use to finance their day-to-day operations, the commercial paper market, which is freezing up. As this

program kicks in over the next week or so, it will help revive a key source of short-term financing for businesses and financial institutions.

Second, some Americans are concerned about whether their money is safe. So the Federal Deposit Insurance Corporation and the National Credit Union Administration have significantly expanded the amount of money insured in savings accounts and checking accounts and certificates of deposit. That means that if you have up to \$250,000 in one of these insured accounts, every penny of that money is safe. The Treasury Department has also acted to restore confidence in a key element of America's financial system by offering Government insurance for money market mutual funds.

Third, we are concerned that some investors could take advantage of the crisis to illegally manipulate the stock market. So the Securities and Exchange Commission is launching rigorous enforcement actions to detect fraud and manipulation in the market.

Fourth, the decline in the housing market has left many Americans concerned about losing their homes. My administration launched the HOPE NOW Alliance, which brings together homeowners and lenders and mortgage servicers and others to find ways to prevent foreclosure. We're also making it easier for responsible homeowners to refinance into affordable mortgages insured by the Federal Housing Administration. Americans listening today can know that if you're struggling to meet your mortgage, there are ways you can get help.

These actions are helping to address a key problem in the housing market: The supply of homes now exceeds demand, and as a result, home values have declined. Once supply and demand balance out, our housing market will be able to recover, and that will help our broader economy begin to grow.

Fifth, we have seen that problems in the financial system are not isolated to the United States. So we're working closely with partners around the world to ensure that our actions are coordinated and effective. Today I'm meeting with the finance ministers from our partners in the G-7 and the heads of the World Bank and the International Monetary Fund, and Treasury Secretary Paulson is also hosting finance ministers from the world's 20 leading economies.

Finally, American businesses and consumers are struggling to obtain credit. So my administration worked with Congress to pass a \$700 billion financial rescue package. This new law authorizes the Treasury Department to use a variety of measures to help banks rebuild capital, including buying or insuring troubled assets and purchasing the equity of financial institutions. The Department will implement measures that have maximum impact as quickly as possible. Seven hundred billion dollars is a significant amount of money, and as we act, we will do it in an effective way.

In the short term, we'll continue to face challenges. But in the long run, Americans have reason to be confident. We have the strongest and most resilient economy in the world. When we have faced difficult tests in the past, the American people have always risen to meet them. And that is exactly what we're going to do again.

Thank you for listening.

NOTE: The address was recorded at 10:40 a.m. on October 10 in the Cabinet Room at the White House for broadcast at 10:06 a.m. on October 11. The transcript was made available by the Office of the Press Secretary on October 10, but was embargoed for release until the broadcast. The Office of the Press Secretary also released a Spanish language transcript of this address.

## Remarks at a Welcoming Ceremony for Prime Minister Silvio Berlusconi of Italy

October 13, 2008

*Buon giorno.* [Laughter] Fellow citizens, distinguished guests, thank you all for being here as we receive a wonderful visitor, the Prime Minister of the Italian Republic, Silvio Berlusconi. He is a man of accomplishment, a statesman from a great nation, and a warm friend of the United States. Mr. Prime Minister, you honor us with your visit, and Laura and I are so pleased to have you come to the White House on Columbus Day.

On this national holiday, America remembers the explorer from Genoa who led a fleet of three tiny ships on a great journey of discovery. Christopher Columbus earned his place in history by introducing the Old World to the New. And in the story of his life, Americans see qualities that are so much a part of our Nation: the vision to take a risk and to explore the unknown, the courage to persevere through difficulty, and the optimism to greet every new day with confidence and joy.

Italy is rightly proud of Christopher Columbus. And America is proud that so many other Italians have journeyed across the Atlantic and made this land their home. Generations of Italian immigrants have strengthened America with their own traditions of faith in God, pride in family, devotion to country, and love of life. In more ways than can be counted, the United States is a better place for the influence of the sons and daughters of Italy.

With the visit today of Prime Minister Berlusconi, we reaffirm the close and trusting friendship between our two countries. For more than six decades, America and Italy have been partners in the work of freedom and progress. We look to the future with confidence.

Together, we have worked to build a strong transatlantic alliance that helps guard the lives and liberty of our peoples. We

know that further growth of NATO will serve the interest of all who cherish freedom, security, and peace.

Together, we're standing firm against the forces of brutality and instability in our world. Our countries and other peaceful nations have been targeted by terrorists. We will fight those enemies until they are defeated. Our security is threatened by the proliferation of deadly technologies, and we're acting to remove that danger. Civilization is challenged by extremist ideologies with a will to power, and we are determined to overcome hatred and intolerance with the values of decency and justice and democracy.

Together, we are giving support to rising democracies and defending the innocent against the violent. Italy has shown that commitment by deploying forces to the NATO mission in Afghanistan and by leading NATO training operations in Iraq. Italian forces are also serving the cause of peace and stability in Lebanon and Kosovo and Bosnia. And, Mr. Prime Minister, America is proud to be your ally in missions that will bring forth a better and a safer world.

As allies and friends, the United States and Italy have formed strong bonds of commerce and understanding. By our commitment to free markets and the spirit of enterprise, we've helped ourselves and others to succeed and prosper. And in these times of economic turmoil, we're working with other governments to resolve the troubles of the financial markets. Just this weekend, I met with the Finance Minister of Italy and his counterparts from the G-7 and G-20 nations. All of us will continue taking responsible, decisive action to restore credit and stability and return to vigorous growth.